



4004

ANNUAL REPORT

OF

Name: PRICE COUNTY TELEPHONE COMPANY

Principal Office: 105 N AVON AVE
P.O. BOX 108
PHILLIPS, WI 54555-0108

For the Year Ended: DECEMBER 31, 1998

TELECOMMUNICATIONS UTILITY
TO
PUBLIC SERVICE COMMISSION OF WISCONSIN

P.O. Box 7854
Madison, WI 53707-7854
(608) 267-9504

This form is required under Wis. Stat. § 196.07. Failure to file the form by the statutory filing date can result in the imposition of a penalty under Wis. Stat. § 196.66. The penalty which can be imposed by this section of the statutes is a forfeiture of not less than \$25 nor more than \$5,000 for each violation. Each day subsequent to the filing date constitutes a separate and distinct violation. The filed form is available to the public and personally identifiable information may be used for purposes other than those related to public utility regulation.

GENERAL RULES FOR REPORTING

1. Unless otherwise indicated, the information requested in this report should be taken from the accounts and other records in conformity with the Uniform System of Accounts prescribed by the Public Service Commission of Wisconsin in docket 05-US-102. The definitions and instructions contained therein should also apply to the report wherever applicable. A query or response concerning information contained in this report regarding any practice or transaction should not be construed as indicating conformity to accounting or other pertinent regulations.
2. Please follow all instructions and answer each question fully and accurately. Provide additional information as necessary to avoid misunderstandings or misleading responses. Abbreviations listed on page 6 may be used, however please show the exact name of the respondent in full on the "Identification and Ownership" page.
3. Wherever information is requested in a "note", please show that information in the space provided, or make reference to the adjacent page or insert where the note may be found. Please also identify each note. Footnote capability is included in the annual report software program. Please use it where necessary to fully explain particulars in the annual report.
4. Numeric items are limited to digits (0-9). A minus sign "-" should be entered in the software program to indicate negative values. Do not use parentheses for numeric values. The program will convert the minus sign to parentheses when a hard copy of the annual report is printed. Negative values may not be allowed for certain entries in the annual report due to restrictions contained in the software program.
5. Please report all dollar amounts to the nearest whole dollar.
6. This annual report should be complete in all respects. Unless otherwise authorized, avoid references to returns of former years or to other reports.
7. Wherever schedules call for data from the previous year and such data were reported in the previous annual report, that previous year's data should be reported without modification. If modified, an appropriate footnote indicator and explanation should be included in the current year's annual report.
8. Where part or all of the report is prepared by other than utility personnel, a disclosure is required in the notes to the income statement or the balance sheet, which describes the nature and extent of work performed.
9. Please print a hard copy of the annual report on 20 pound or heavier paper, sign it and compare with the electronic copy before officially filing it with the Public Service Commission of Wisconsin.

SIGNATURE PAGE

I CATHERINE M. MESS of
(Person responsible for accounts)

PRICE COUNTY TELEPHONE COMPANY, certify that I
(Utility Name)

am the person responsible for accounts; that I have examined the following report and, to the best of my knowledge, information and belief, it is a correct statement of the business and affairs of said utility for the period covered by the report in respect to each and every matter set forth therein.

<u>CATHERINE M. MESS</u>	<u>04/15/1999</u>
(Person responsible for accounts)	(Date)

SECRETARY
(Title)

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ANNUAL TELECOMMUNICATIONS REPORT GLOSSARY OF TERMS

Access Line	Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency transmission, and/or time slot transmission. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice channel or a 64 kilobits per second digital channel.
Analog Signal	A signal that varies in a continuous manner such as voice or music. An analog signal must be contrasted with a digital signal which can assume only discrete values.
Cellular System	A high capacity land mobile radio system in which an assigned frequency spectrum is divided into discrete channels that are assigned to a cellular geographic serving area.
Central Office	A switching unit in a telephone system providing service to the general public, having the necessary equipment and operating arrangements for terminating and interconnecting lines and trunks.
Centrex	A service for customers with many stations that permits station-to-station dialing, one listed directory number for the customer, direct inward dialing to a particular station and station identification on outgoing calls. The switching functions are performed in a central office (stand alone, host or remote).
Channel	An electrical communications path between two or more points. A single pair of wires may provide more than one channel. A channel may also be provided by microwave.
Customer	A person who uses a telephone as a subscriber.
Digital Signal	A signal that has a limited number of discrete states. This may be contrasted with an analog signal that varies in a continuous manner and may have an infinite number of states.
Equal Access	The ability of the subscriber to use any long distance service by dialing the same number of digits.
Exchange	A defined area served by one or more central offices regardless of technical serving arrangements within which the company furnishes service at rates and rules prescribed for that area in the company's filed tariffs. The area is not necessarily marked by political boundaries or the location of host or remote switching units.
Extended Area Service (EAS)	The ability of a customer to call customers in other exchanges at no additional charge or at an additional charge per tariff.
Extended Community Calling (ECC)	The ability of a customer to call customers in other exchanges at rates usually above EAS rates but below toll rates for comparable distances. Rates generally include a duration element.
Feature Group A	Line-side originating and terminating LATA access for which an originating subscriber dials an assigned telephone number that connects to a specific interexchange carrier (IC). The IC returns a tone to signal the caller to input additional generated digits of the called number.

ANNUAL TELECOMMUNICATIONS REPORT GLOSSARY OF TERMS

Feature Group B	Trunk-side originating and terminating LATA access for which an originating subscriber dials a 950-WXXX number (where W=0, 1 and XXX is the carrier access code (CAC)), which is translated to a specific XXX carrier trunk group. Optional rotary dial service and ANI may be available.
Feature Group C	Trunk-side LATA access for AT&T-Communications generally on a direct basis between each end office (EO) and an AT&T-C switching system.
Feature Group D	Also referred to as equal access. It is trunk-side LATA access affording call supervision of an interexchange carrier, a uniform access code (10XXXXX), optional calling party identification, recording of access-charge billing details and presubscription to a customer specified interexchange carrier.
FX-IN	A nonswitched service where the customer of the company is connected to and receives switching service through central office equipment located in another exchange area.
FX-OUT	A switched service where facilities are provided from the central office out to the exchange boundary where it meets the line from a foreign exchange subscriber.
Host Switching System	A switching system that provides centralized control over most of the switching functions of one or more remote switching units. The host switching system usually provides trunk access to the operating company intraLATA networks.
Local Access Transport Area (LATA)	A geographic area within which an operating company may offer its telecommunications services.
Mobile Telephone	A service which provides radio telephone communication from a mobile vehicle to another vehicle or to a regular telephone.
Paging	A service which provides one-way signal or voice communication over a radio channel to a miniature receiver carried by the customer.
Pair	Two wires of a single circuit.
Pay Station	A telephone which normally requires all users to deposit one or more coins or use a credit card to complete a call.
Private Line Service	Channel or circuit rented for private use and not intended to be connected to the general distribution system.
Private Branch Exchange (PBX)	A manually, or operator controlled switching system, usually on the customer's premises, which serves that customer's telephones over a common group of lines from the central office.
Radio Common Carrier (RCC)	A company which furnishes public telecommunications service using one or more radio channels.
Remote Switching Unit (RSU)	An electronic switching system that is remote from its host or control office. All of the central control equipment for the RSU is located in the host switching system.

ANNUAL TELECOMMUNICATIONS REPORT GLOSSARY OF TERMS

Route Miles	<p>Total number of route miles (to the nearest mile) of operating plant facilities including drop wire in the exchange. One route mile may consist of:</p> <ol style="list-style-type: none">1. One mile of roadway with any combination of outside plant facilities on any number of rights-of-way.2. One mile of a cross country route with any combination of outside plant facilities.3. One mile of point-to-point microwave or radio link.4. One mile of plant on either side of a limited access highway or natural barrier, such as a navigable waterway.5. One mile of joint use line where the utility either owns the facility or leases space.
Stand Alone Switch	<p>A central office switch which has no remote switching units (RSUs) subtending it.</p>
Trunk	<p>A communications path connecting two switching systems in the establishment of an end-to-end connection.</p>
Wide Area Telephone Service (WATS)	<p>Customer leased access line or lines connected to the nationwide network over which an unlimited number of calls can be made for a fixed monthly charge.</p>
Wire Center	<p>The location of one or more local switching systems. A point at which customers' loops converge.</p>

ABBREVIATIONS USED IN ANNUAL REPORTS

Acct	.....	Account
Accum	.....	Accumulated
Acq	.....	Acquisition
Admin	.....	Administrative
Alloc	.....	Allocation
Amort	.....	Amortization
 CO	.....	Central Office
 Depr	.....	Depreciation
 Equip	.....	Equipment
Exp	.....	Expenses
EOY	.....	End of Year
 FOY	.....	First of Year
 Info	.....	Information
ITC	.....	Investment Tax Credit
 Misc	.....	Miscellaneous
 Nonoper	.....	Nonoperating
Nonreg	.....	Nonregulated
 Oper	.....	Operating
Opns	.....	Operations
Orig	.....	Originating
 Prop	.....	Property
 Receiv	.....	Receivable
Reg	.....	Regulated
Rev	.....	Revenues
 Svcs	.....	Services
 Telecom	.....	Telecommunications
Term	.....	Terminating
TPIS	.....	Telecommunications Plant in Service
TPUC	.....	Telecommunications Plant Under Construction
 Uncoll	.....	Uncollectible

IDENTIFICATION AND OWNERSHIP

Exact Utility Name: PRICE COUNTY TELEPHONE COMPANY
Utility Location: 105 N AVON AVE
P.O. BOX 108
PHILLIPS, WI 54555-0108

Utility Web Site Address:

When was utility organized?: 01/01/1929

Report any change in name and the effective date:

Officer in charge of correspondence concerning this report

Name: CATHERINE M. MESS
Title: SECRETARY

Office Address: 105 NORTH AVON AVENUE
P.O. BOX 108
PHILLIPS, WI 54555

Fax Number: (715) 339 - 4512
Telephone Number: (715) 339 - 2151
Email Address:

Individual or firm, if other than utility employee, preparing this report

Name: KIESLING ASSOCIATES LLP
Title: ACCOUNTING FIRM
Firm: KIESLING ASSOCIATES LLP
Office Address: 6401 ODANA ROAD
MADISON, WI 53719-1155

Fax Number: (608) 273 - 2383
Telephone Number: (608) 273 - 2315
Email Address:

Person responsible for financial information contained in report

Name: CATHERINE M. MESS
Title: SECRETARY

Office Address: 105 NORTH AVON AVENUE
P.O. BOX 108
PHILLIPS, WI 54555

Fax Number: (715) 339 - 4512
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Person responsible for statistical information contained in report

Name: CATHERINE M. MESS
Title: SECRETARY

Office Address: 105 NORTH AVON AVENUE
P.O. BOX 108
PHILLIPS, WI 54555

Fax Number: (715) 339 - 4512
Telephone Number: (715) 339 - 2151
Email Address:

IDENTIFICATION AND OWNERSHIP

List names, addresses, and number of shares held by persons owning 5 percent or more of outstanding voting securities. If any stock is held by a nominee, give known particulars as to the beneficial owner (See Wis. Stat. § 196.795(1)(c), for definition of beneficial owner).

Name: JAMES A. TAYLOR
Address: PO BOX 203
FREEMONT, WI 54940

Number of Shares Held: 127,050
Beneficial Owner: NONE

Name: KARL E. MESS ESTATE
Address: 175 N. ARGYLE AVE
PHILLIPS, WI 54555

Number of Shares Held: 33,900
Beneficial Owner: NONE

Name: MR & MRS ROBERT O. MESS
Address: 214 BEEBE STREET
PHILLIPS, WI 54555

Number of Shares Held: 106,336
Beneficial Owner: NONE

Name: P.K.R. CORPORATION
Address: PO BOX 108
PHILLIPS, WI 54555

Number of Shares Held: 68,700
Beneficial Owner: NONE

List companies owned, controlled, or operated and form and extent of such ownership, control or operation.

Company Name: PRICE COUNTY INFORMATION SYSTEMS, INC.
Form of Interest: OWNED
Extent Of Interest: 100%

INCOME STATEMENT - TOTAL COMPANY

Particulars (a)	This Year (b)	Last Year (c)	
Operating Revenues (5000-5300)	2,900,586	2,686,219	1
Operating Expenses			
Plant Specific Operations Expense (6110-6410)	294,368	276,763	2
Plant Nonspecific Operations Expense	882,081	866,678	3
Customer Operations Expense (6610-6620)	314,315	298,900	4
Corporate Operations Expense (6710-6790)	271,690	265,919	5
Other Operating Income and Expense (7100)	0	0	6
Operating Taxes (7200)	451,065	383,089	7
Total Operating Expenses	2,213,519	2,091,349	8
Net Operating Income	687,067	594,870	9
Other Income			
Nonoperating Income and Expense (7300)	382,255	293,412	10
Nonoperating Taxes (7400)	104,018	77,004	11
Interest and Related Items (7500)	262,702	272,757	12
Extraordinary Items (7600)	0	0	13
Nonregulated Net Income (7990)	(5,196)	16,365	14
Total Nonoperating Income	10,339	(39,984)	15
Net Income	697,406	554,886	16

NOTES TO INCOME STATEMENT OR BALANCE SHEET

In the space provided below, disclose all material information not included elsewhere in this report that is necessary to make the financial statements clear and understandable. Included should be:

-
1. A summary of significant accounting policies. (The summaries should disclose, but not be limited to, the utility's accounting policies with regard to pension cost, unbilled revenues, depreciation, and income taxes.)

The accounting policies of the Company conform to generally accepted accounting principles. Management uses estimates and assumptions in preparing its financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Telephone operations reflect practices appropriate to the telephone industry. The accounting records of the company are maintained in accordance with Uniform System of Accounts for Class A and B Telephone Companies prescribed by the Federal Communications Commission as modified by the Public Service Commission of Wisconsin (PSCW).

A. Property and Equipment

Telephone plant is capitalized at original cost, including the capitalized cost of salaries and wages, materials, certain payroll taxes, and employee benefits.

The Company provides for depreciation for financial reporting purposes on the straight-line method by the application of rates, based on the estimated service lives of the various classes of depreciable property.

Renewals and betterments of units of property are charged to telephone plant in service. When telephone plant is retired, its cost is removed from the asset account and charged against accumulated depreciation, together with removal cost less any salvage realized. No gains or losses are recognized in connection with routine retirements of depreciable property. Repairs and renewals of minor items of property are included in plant specific operations expense.

B. Income taxes

Income taxes are accounted for using a liability method and provide for the tax effects of transactions reported in the financial statements including both taxes currently due and deferred. Deferred taxes are adjusted to reflect deferred tax consequences at current enacted tax rates. Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. Significant components of the Company's deferred tax assets and liabilities include the difference between carrying amounts of depreciable assets and partnership investment basis. The deferred tax assets and liabilities represent the future tax return consequences of those differences, which will either be taxable or deductible when the assets and liabilities are recovered or settled.

Investment tax credits (ITC) which were deferred prior to the Tax Reform Act of 1986 are being amortized over the regulatory life of the plant which produced the ITC

NOTES TO INCOME STATEMENT OR BALANCE SHEET

In the space provided below, disclose all material information not included elsewhere in this report that is necessary to make the financial statements clear and understandable. Included should be:

which produced the ITC.

C. Revenue Recognition

Revenues are recognized when earned regardless of the period in which they are billed.

Revenues relating to the provision of access services to customers are derived, in part, from tariffed access charges to toll service providers (interexchange carriers), and in part from sharing in interstate and intrastate pools. Interstate revenues are determined in accordance with nationwide average cost schedules.

The Company is compensated for intrastate access under access charge procedures based on expense and plant investment levels, as determined by the Company and approved by the PSCW.

D. Cash Equivalents

All highly liquid investments purchased with a maturity of one year or less are considered cash equivalents.

E. Investments

Non-marketable equity investments and temporary investments are stated at cost.

-
2. A summary of significant contingent assets and liabilities existing at year end, including a brief explanation of any action initiated by the Internal Revenue Service, Wisconsin Department of Revenue, or the utility involving a possible assessment or refund of taxes.

None.

-
3. The notes should include an explicit and precise explanation of any retained earnings restrictions and should state the amount of retained earnings affected by such restrictions.

The mortgage to the United States of America, underlying the RUS and RTB notes, contains certain restrictions on the declaration of payment of cash dividends, redemption of capital stock, or investment in affiliated companies. As of December 31, 1998, the maximum amount which could be distributed in accordance with these restrictions was \$3,371,536, except as might be specifically authorized in writing in advance by the RUS and RTB noteholders.

BALANCE SHEET - ASSETS (CLASS B USE ACCOUNTS DESIGNATED BY *)

Particulars (a)	Balance--EOY (b)	Balance--FOY (c)	
CURRENT ASSETS			
CASH AND EQUIVALENTS			
Cash and Equivalents (1120)*	726,517	1,066,875	1
Cash (1130)			2
Special Cash Deposits (1140)			3
Working Cash Advances (1150)			4
Temporary Investments (1160)			5
TOTAL CASH AND EQUIVALENTS	726,517	1,066,875	
RECEIVABLES AND ALLOWANCES FOR DOUBTFUL ACCOUNTS			
Telecommunications Accounts Receivable (1180)*	172,743	155,313	6
Accounts Receivable Allowance-Telecom (1181)*			7
Net: Telecommunications Accounts Receivable	172,743	155,313	
Other Accounts Receivable (1190)*	377,041	400,626	8
Accounts Receivable Allowance--Other (1191)*			9
Net: Other Accounts Receivable	377,041	400,626	
Notes Receivable (1200)*	0	0	10
Notes Receivable Allowance (1201)*	0	0	11
Net: Notes Receivable	0	0	
Interest and Dividends Receivable (1210)*	68,774	66,600	12
TOTAL RECEIVABLES AND ALLOWANCES FOR DOUBTFUL	618,558	622,539	
SUPPLIES			
Inventories (1220)*	66,004	55,921	13
TOTAL SUPPLIES	66,004	55,921	
PREPAYMENTS			
Total Prepayments (1280)*	7,679	7,204	14
Prepaid Rents (1290)			15
Prepaid Taxes (1300)			16
Prepaid Insurance (1310)			17
Prepaid Directory Expenses (1320)			18
Other Prepayments (1330)			19
TOTAL PREPAYMENTS	7,679	7,204	
OTHER CURRENT ASSETS			
Other Current Assets (1350)*			20
TOTAL OTHER CURRENT ASSETS	0	0	
TOTAL CURRENT ASSETS	1,418,758	1,752,539	
NONCURRENT ASSETS			
INVESTMENTS			
Investment in Affiliated Companies (1401)*	141,637	163,105	21
Investments in Nonaffiliated Companies (1402)*	4,469,908	3,563,183	22
Nonregulated Investments (1406)*	168,774	175,252	23
Unamortized Debt Issuance Expense (1407)*	4,659	4,836	24
Sinking Funds (1408)*	0	0	25

BALANCE SHEET - ASSETS (CLASS B USE ACCOUNTS DESIGNATED BY *)

Particulars (a)	Balance--EOY (b)	Balance--FOY (c)	
NONCURRENT ASSETS			
INVESTMENTS			
Other Noncurrent Assets (1410)*	62,037	73,148	26
TOTAL INVESTMENTS	4,847,015	3,979,524	
DEFERRED CHARGES			
Deferred Tax Regulatory Asset (1437)*	0	0	27
Deferred Maintenance and Retirements (1438)*	0	0	28
Deferred Charges (1439)*	3,674	4,564	29
TOTAL DEFERRED CHARGES	3,674	4,564	
TOTAL NONCURRENT ASSETS	4,850,689	3,984,088	
PLANT			
TELECOMMUNICATIONS PLANT IN SERVICE			
Telecommunications Plant in Service (2001)*	13,312,038	12,876,691	30
Less: Accumulated Depreciation (3100)*	6,947,679	6,139,311	31
Less: Accumulated Amortization--Capitalized Leases (3410)*			32
Less: Accumulated Amortization--Leasehold Improvements (3420)*			33
Less: Accumulated Amortization--Intangible (3500)*			34
NET TELECOMMUNICATIONS PLANT IN SERVICE	6,364,359	6,737,380	
PROPERTY HELD FOR FUTURE USE			
Prop. Held for Future Telecommun. Use (2002)*			35
Less: Accumulated Depreciation--Held for Future Telecommunications Use (3200)*			36
NET PROPERTY HELD FOR FUTURE USE	0	0	
NONOPERATING PLANT			
Nonoperating Plant (2006)*			37
Less: Accumulated Depreciation--Nonoperating (3300)*			38
NET NONOPERATING PLANT	0	0	
TPUC			
TPUC (2003)*	1,999	18,410	39
TOTAL TPUC	1,999	18,410	
TELECOMMUNICATIONS PLANT ADJUSTMENT			
Telecommunications Plant Adjustment (2005)*			40
Less: Accumulated Amortization--Other (3600)*			41
NET TELECOMMUNICATIONS PLANT ADJUSTMENT	0	0	
TOTAL PLANT	6,366,358	6,755,790	
TOTAL ASSETS AND OTHER DEBITS*	12,635,805	12,492,417	

BALANCE SHEET - LIABILITIES (CLASS B USE ACCOUNTS DESIGNATED BY *)

Particulars (a)	Balance--EOY (b)	Balance--FOY (c)	
CURRENT LIABILITIES			
Accounts Payable (4010)*	189,307	462,450	1
Notes Payable (4020)*	0	0	2
Advance Billing and Payments (4030)*	17,289	18,311	3
Customer Deposits (4040)*	9,039	8,300	4
Current Maturities--Long-Term Debt (4050)*	268,482	266,420	5
Current Maturities--Capital Leases (4060)*			6
Income Taxes--Accrued (4070)*	60,433	(8,841)	7
Other Taxes--Accrued (4080)*	(20,473)	(37,831)	8
Net Current Deferred Operating Income Taxes (4100)*	0	0	9
Net Current Deferred Nonoperating Income Taxes (4110)*			10
Other Accrued Liabilities (4120)*	17,583	17,990	11
Other Current Liabilities (4130)*			12
TOTAL CURRENT LIABILITIES*	541,660	726,799	
LONG-TERM DEBT			
Funded Debt (4210)*	4,475,098	4,740,664	13
Premium on Long-Term Debt (4220)*			14
Discount on Long-Term Debt (4230)*			15
Reacquired Debt (4240)*	0	0	16
Obligations Under Capital Leases (4250)*			17
Advances from Affiliated Companies (4260)*	0	0	18
Other Long-Term Debt (4270)*	0	0	19
TOTAL LONG-TERM DEBT*	4,475,098	4,740,664	
OTHER LIABILITIES AND DEFERRED CREDITS			
Other Long-Term Liabilities (4310)*			20
Unamortized Operating ITC--Net (4320)*	43,544	65,317	21
Unamortized Nonoperating ITC--Net (4330)*			22
Net Noncurrent Deferred Operating Income Taxes (4340)*	303,920	297,619	23
Net Deferred Tax Liability Adjustments (4341)*	(48,528)	(64,216)	24
Net Noncurrent Deferred Nonoperating Income Taxes (4350)*	(23,376)	(6,819)	25
Other Deferred Credits (4360)*	231,577	205,858	26
Deferred Tax Regulatory Liability (4361)*	80,207	97,253	27
TOTAL OTHER LIABILITIES AND DEFERRED CREDITS*	587,344	595,012	
STOCKHOLDERS' EQUITY			
Capital Stock (4510)*	663,200	663,200	28
Additional Paid-in Capital (4520)*			29
Treasury Stock (4530)*	0	0	30
Other Capital (4540)*	(31,275)	4,682	31
Retained Earnings (4550)*	6,399,778	5,762,060	32
TOTAL STOCKHOLDERS' EQUITY*	7,031,703	6,429,942	
TOTAL LIABILITIES AND OTHER CREDITS*	12,635,805	12,492,417	

STATEMENT OF CASH FLOWS

Item (a)	Amount (b)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Income	697,406	1
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:		
Depreciation and amortization	804,961	2
Interest during construction	0	3
Changes in assets and liabilities:		
Current assets (net)	(6,577)	4
Other noncurrent assets	11,824	5
Other current liabilities	(187,201)	6
Other liabilities and deferred credits	(7,668)	7
Other (specify):		
TOTAL ADJUSTMENTS	615,339	
NET CASH PROVIDED BY OPERATING ACTIVITIES (NET INCOME & ADJUST.)	1,312,745	
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital Expenditures:		
Changes in plant (net)	(415,529)	8
Investments in affiliated companies	21,468	9
Nonoperating Investments	(900,247)	10
Other (specify):		
NET CASH USING IN INVESTING ACTIVITIES	(1,294,308)	
CASH FLOWS FROM FINANCING ACTIVITIES		
Change in capital lease obligations (net)	0	11
Change in long-term debt (net)	(263,150)	12
Net changes in stockholder equity other than retained earnings	(35,957)	13
Change in short term borrowing (net)	0	14
Dividends paid	(59,688)	15
Miscellaneous debits/credits to retained earnings	0	16
Other (specify):		
Net Cash Provided by Financing Activities	(358,795)	
NET INCREASE IN CASH AND CASH EQUIVALENTS	(340,358)	
Cash and cash equivalents at beginning of year (Accts. 1130-1160 for Class A; 1120 for Class B)		
Cash and cash equivalents at end of year (Accts. 1130-1160 for Class A; 1120 for Class B)		

IMPORTANT CHANGES DURING THE YEAR

-
1. Give the name and address of all companies which during the year came under the direct control of the respondent otherwise than through title to securities, stating whether such control is sole or joint, how control was established, names of other parties to a joint agreement for control, the extent of control exercised by each party, and any other pertinent data requisite to a clear understanding of the arrangements relating to control (See Section 32.9000 of the Uniform System of Accounts). Where important details relating to control of a company have changed, give particulars. If during the year a company ceased to be controlled by the respondent, its name and a statement of fact will be sufficient.

None .

2. Give the name and address of all companies which during the year came under the indirect control of the respondent through non-reporting intermediaries, stating whether such control is sole or joint, how control was established, names of other parties to a joint agreement for control, the extent of control exercised by each party, the name and address of the intermediary through which the indirect control exists, and any other pertinent data requisite to a clear understanding of the arrangements relating to control (See Section 32.9000 of the Uniform System of Accounts). Where important details relating to control of a company have changed, give particulars. If during the year a company ceased to be controlled by the respondent, its name and a statement of fact will be sufficient.

None .

3. Important leaseholds acquired, given, assigned or surrendered, giving effective dates, lengths of terms, names of parties, rents, and other conditions.

None .

4. List extension of system (other than additions supplementing existing facilities of the respondent) whether by purchase, construction, donation, or otherwise, such as a substantially complete telephone system, exchange or toll line. Give the location, new territory covered, and dates of beginning operation, and in case of purchase give also the name and address of the company from which purchased, date of acquisition, the consideration given, and reference to Commission authorization.

None .

5. Estimated increase or decrease in annual revenues due to important rate changes, giving bases of estimates.

None .

6. Obligation incurred or assumed by respondent as guarantor for the performance by another of any agreement or obligation, excluding ordinary commercial paper maturing on demand or not later than one year after date of issue.

None .

7. Changes in articles of incorporation or amendments to charter.

None .

8. Additional matters of fact (not elsewhere provided for) which respondent may desire to include in its report.

None .

AFFILIATE ABBREVIATIONS

In column (b) provide the abbreviation for the name of the affiliate shown in column (a). Limit abbreviations to 10 characters or less. Use these abbreviations when completing the affiliated interest schedules. Insert "Other" in the Abbreviations column if the activity to be reported for a particular record in the Affiliated Interest Transactions or Affiliated Assets and Liabilities schedule represents an aggregation of activity not exceeding the dollar or percentage limits set forth in the header of that schedule.

Name of Affiliate (a)	Abbreviations (b)	
Computer Systems Limited Liability Corporation	CSLLC	1
Other	OTH	2
Price County Information Systems, Inc.	PCIS	3

AFFILIATED INTEREST TRANSACTIONS

Provide a summary of transactions under established affiliated interest contracts and arrangements (see Wis. Stat. § 196.52, for "affiliated interest" definitions). Use the space below to report transactions with individual affiliates and multiple affiliated interest agreements or, at the utility's option, with individual affiliates and a single agreement. Activity associated with affiliated contracts or arrangements not in excess of \$25,000 or 5 percent of the equity of the utility, whichever is smaller, may be aggregated in a single record. For utilities whose intrastate gross operating revenues of the previous year exceeded \$100,000,000, individual contracts or arrangements not exceeding \$100,000 may be aggregated in a single record. Where an affiliate is both providing and receiving service use one record to show billings to and a second record for billings from. When billings to or from an affiliate are recorded on the books of the utility, the records underlying such billings shall be sufficient to show all the detail maintained to identify the associated accounts related to the billing and categorize billings according to the account categories shown below.

Particulars	(a)	(b)	(c)	(d)	(e)	
Docket		4870-AT-100				
Name of Affiliate		CSLLC				1
Designate whether billed to or from:		FROM				2
Cost Based (C), Market Price (M), Prevailing Price (P), Tariff (T), Other (O)		M				3
Revenues						4
Expenses:						
Plant Specific Operations Expense						5
Plant Nonspecific Operations Expense						6
Customer Operations Expense						7
Corporate Operations Expense						8
Total Operating Expenses		0	0	0	0	9
Other:						
Plant Accounts						10
Accumulated Depreciation						11
Accumulated Amortization						12
Clearing						13
All Other		96,641				14
Total		96,641	0	0	0	15
Percent of affiliate's business billed to all affiliated regulated utilities		61.21				16
If cost based, rate of return on equity or markup incorporated in billings						17
Footnotes						

AFFILIATED ASSETS AND LIABILITIES

This schedule should be used to report affiliated activity concerning balances at the end of the year for the following accounts: 1120, Cash and Equivalents; 1160, Temporary Investments; 1180, Telecommunications Accounts Receivable; 1190, Other Accounts Receivable; 1210, Interest and Dividends Receivable; 1401, Investment in Affiliated Companies; 4010, Accounts Payable; and 4260, Advances from Affiliated Companies. Amounts at the end of the year for each affiliate should be identified by respective affiliate and account number. Report information below consecutively by respective account number; affiliated amounts of less than \$5,000 may be reported in aggregate as "other" for a particular account. Affiliated amounts recorded in accounts 1200, Notes Receivable, 1408, Sinking Funds, and 4020, Notes Payable, should not be reported in this schedule, but rather in the respective schedules contained elsewhere in this report.

Name of Affiliate (a)	Account Number (b)	Balance EOY (c)	
Price County Information Systems, Inc.	1190	13,151	1
Computer Systems Limited Liability Corporation	1401	122,000	2
Price County Information Systems, Inc.	1401	19,637	3
Price County Information Systems, Inc.	4010	1,495	4

ACCOUNTS RECEIVABLE NET WRITE OFFS - TELECOMMUNICATIONS

This schedule should be used to report accounts receivable net write off activity.

Particulars (a)	Amount (b)	
Collection of amounts previously written off		1
Uncollectibles written off during the year		2
Net write offs during the year	0	

NOTES RECEIVABLE (ACCT. 1200) AND ALLOWANCES (ACCT. 1201)

For affiliates, list by issue or note by affiliate. Other, list by issue or note by entity. Separately identify economic development loans and associated particulars.

Name of Maker and purpose (a)	Issue Date (b)	Maturity (c)	Interest Rate (d)	Amount EOY (e)	Allowance Acct. 1201 (f)
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NONE

Total				<u><u>0</u></u>	<u><u>0</u></u>	1
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INVESTMENTS IN NONAFFILIATED COMPANIES (ACCT. 1402)

Name (a)	Balance EOY (b)	
RTB Class B Stock	200,250	1
Other:		
CD'S	1,794,888	2
Mortgage Backed Securities	786,273	3
Municipal Bond	194,292	4
Mutual Funds	674,479	5
Bonds	189,494	6
Other Investments	630,232	7
Total Investments in Nonaffiliated Companies	4,469,908	

NONREGULATED INVESTMENTS (ACCT. 1406)

Report below the name and end-of-year balance of total net investment and inventory (accts. 1406.10, 1406.11 and 1406.12) for each nonregulated activity. Telephone utilities not subject to dual jurisdiction should report materials and supplies held for resale in account 1406.

Name (a)	Balance EOY (b)	
Total Net Investment and Inventory (Accts. 1406.10, 1406.11, and 1406.12):		
Net Investments	159,012	1
Net Inventory	9,762	2

DEFERRED MAINTENANCE AND RETIREMENTS (ACCT. 1438)

List items individually by Commission approval noting the date of approval.

Description of Item (a)	Balance EOY (b)
NONE	
Total	0

1

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B

Plant Account (a)	Account (b)	Balance FOY (c)	Additions (d)	
GENERAL SUPPORT ASSETS				
Land	2111	62,247		1
Motor Vehicles	2112	127,596	20,694	2
Aircraft	2113	0		3
Special Purpose Vehicles	2114	0		4
Garage Work Equipment	2115	0		5
Other Work Equipment	2116	140,274	9,801	6
Buildings	2121	466,587	2,654	7
Furniture	2122	9,882	983	8
Office Equipment	2123	28,730	0	9
General Purpose Computers	2124	54,990		10
TOTAL--GENERAL SUPPORT ASSETS:		890,306	34,132	
CENTRAL OFFICE ASSETS				
Analog Electronic Switching	2211	0		11
Digital Electronic Switching	2212	2,119,473	74,554	12
Electro-Mechanical Switching	2215	0	0	13
Operator Systems	2220	0		14
Radio Systems	2231	20,163	0	15
Circuit Equipment	2232	692,289	84,418	16
TOTAL--CENTRAL OFFICE ASSETS:		2,831,925	158,972	
INFORMATION ORIGATION/TERMINATION ASSETS				
Station Apparatus	2311	0		17
Customer Premises Wiring	2321	0		18
Large Private Branch Exchanges	2341	0		19
Public Telephone Terminal Equipment	2351	0		20
Other Terminal Equipment	2362	1,596		21
TOTAL--INFORMATION ORIG/TERM ASSETS:		1,596	0	
CABLE WIRE FACILITIES ASSETS				
Poles	2411	0		22
Aerial Cable	2421	0	0	23
Underground Cable	2422	336,172	24,299	24
Buried Cable	2423	7,697,552	217,661	25
Submarine Cable	2424	0	0	26
Deep Sea Cable	2425	0		27
Intrabuilding Network Cable	2426	0	0	28
Aerial Wire	2431	0		29
Conduit Systems	2441	1,119,140	283	30
TOTAL--CABLE WIRE FACILITIES ASSETS:		9,152,864	242,243	
AMORTIZABLE ASSETS				
Capital Leases	2681	0		31

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B (cont.)

Account (e)	Retirements (f)	Transfers / Adjustments (g)	Balance EOY (h)	
2111			62,247	1
2112			148,290	2
2113			0	3
2114			0	4
2115			0	5
2116			150,075	6
2121			469,241	7
2122			10,865	8
2123	0	0	28,730	9
2124			54,990	10
	0	0	924,438	
2211			0	11
2212	0	0	2,194,027	12
2215	0	0	0	13
2220			0	14
2231	0	0	20,163	15
2232	0	0	776,707	16
	0	0	2,990,897	
2311			0	17
2321			0	18
2341			0	19
2351			0	20
2362			1,596	21
	0	0	1,596	
2411			0	22
2421	0	0	0	23
2422	0	0	360,471	24
2423	0	0	7,915,213	25
2424	0	0	0	26
2425			0	27
2426	0	0	0	28
2431			0	29
2441			1,119,423	30
	0	0	9,395,107	
2681			0	31

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B

Plant Account (a)	Account (b)	Balance FOY (c)	Additions (d)
AMORTIZABLE ASSETS			
Leasehold Improvements	2682	0	32
Intangibles	2690	0	33
TOTAL--AMORTIZABLE ASSETS:		0	0
TOTAL TELECOM. PLANT IN SERVICE	2001	12,876,691	435,347
Less: Allocation to Nonregulated Activity - EOY	2001		34
NET REG. TOTAL TELE. PLANT IN SERV. - EOY	2001		

Explain all amounts shown in column (g).

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B (cont.)

Account (e)	Retirements (f)	Transfers / Adjustments (g)	Balance EOY (h)	
2682			0	32
2690			0	33
	0	0	0	
	0	0	13,312,038	
2001			0	34
			13,312,038	

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B (SUB-CLASS ACCOUNTS)

Report telecommunications plant data for each subaccount where primary plant accounts have subclassifications. Amounts pertaining to subaccount 2212.4, Test Equipment, should be reported in account 2212.2, Digital Switching - Central Office; amounts for subaccounts 2231.3, Microwave, 2231.4, Cellular, 2231.5, Mobile Radio, and 2231.6, Paging, should be included in 2231.2, Other Radio Facilities; amounts pertaining to subaccounts 2232.4, Digital Data Services, 2232.5, Digital Circuit - Subscriber, 2232.6, Digital Circuit - Trunk - Toll, and 2232.7, Concentrators, should be reported in 2232.1, Digital Circuit Equipment. Any other separate accounting for telephone plant at an individual telephone company should be consolidated and reported in the primary accounts as defined in the uniform system of accounts.

Plant Subaccount (a)	Subaccount (b)	Balance FOY (c)	Additions (d)	
Office Support Equipment	2123.1	15,025		1
Company Communications Equipment	2123.2	13,705		2
Software	2212.1	195,570		3
Digital Switching - Central Office	2212.2	1,923,903	74,554	4
Digital Switching - Remote	2212.3	0		5
Step by Step Switching	2215.1	0		6
Crossbar Switching	2215.2	0		7
Satellite and Earth Station Facilities	2231.1	20,163		8
Other Radio Facilities	2231.2	0		9
Digital Circuit Equipment	2232.1	692,289	84,418	10
Analog Circuit Equipment	2232.2	0		11
Light Wave Circuit Equipment	2232.3	0		12
Aerial Cable - Nonmetallic	2421.1	0		13
Aerial Cable - Metallic	2421.2	0		14
Underground Cable - Nonmetallic	2422.1	336,172	24,299	15
Underground Cable - Metallic	2422.2	0		16
Buried Cable - Nonmetallic	2423.1	593,504	43,642	17
Buried Cable - Metallic	2423.2	7,104,048	174,019	18
Submarine Cable - Nonmetallic	2424.1	0		19
Submarine Cable - Metallic	2424.2	0		20
Intrabuilding Cable - Nonmetallic	2426.1	0		21
Intrabuilding Cable - Metallic	2426.2	0		22

Explain all amounts shown in column (g).

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B (SUB-CLASS ACCOUNTS)
(cont.)

Subaccount (e)	Retirements (f)	Transfers / Adjustments (g)	Balance EOY (h)	
2123.1			15,025	1
2123.2			13,705	2
2212.1			195,570	3
2212.2			1,998,457	4
2212.3			0	5
2215.1			0	6
2215.2			0	7
2231.1			20,163	8
2231.2			0	9
2232.1			776,707	10
2232.2			0	11
2232.3			0	12
2421.1			0	13
2421.2			0	14
2422.1			360,471	15
2422.2			0	16
2423.1			637,146	17
2423.2			7,278,067	18
2424.1			0	19
2424.2			0	20
2426.1			0	21
2426.2			0	22

ACCUMULATED DEPRECIATION CLASS A & B

Primary Plant Account (a)	Acct (b)	Balance FOY (c)	Depr Rate (d)	Annual Accrual (e)	Additional Accrual (f)
GENERAL SUPPORT ASSETS					
Motor Vehicles	2112	98,944		5,750	1
Aircraft	2113	0			2
Special Purpose Vehicles	2114	0			3
Garage Work Equipment	2115	0			4
Other Work Equipment	2116	74,336	9.0	13,018	5
Buildings	2121	202,192	3.4	15,931	6
Furniture	2122	7,829	8.5	889	7
Office Equipment	2123	27,728	15.0	1,002	8
General Purpose Computers	2124	41,686	20.0	10,998	9
Total-- GENERAL SUPPORT ASSETS		452,715		47,588	0
CENTRAL OFFICE ASSETS					
Analog Electronic Switching	2211	0			10
Digital Electronic Switching	2212	1,276,573	11.4	201,033	11A
Electro-Mechanical Switching	2215	0			12
Operator Systems	2220	0			13
Radio Systems	2231	19,914	10.0	249	14
Circuit Equipment	2232	465,603	10.4	74,272	15A
Total-- CENTRAL OFFICE ASSETS		1,762,090		275,554	0
INFORMATION ORIG/TERM ASSETS					
Station Apparatus	2311	0			16
Customer Premises Wiring	2321	0			17
Large Private Branch Exchanges	2341	0			18
Public Telephone Terminal Equipment	2351	0			19
Other Terminal Equipment	2362	1,596			20
Total-- INFORMATION ORIG/TERM ASSETS		1,596		0	0
CABLE WIRE FACILITIES ASSETS					
Poles	2411	0			21
Aerial Cable	2421	0			22
Underground Cable	2422	100,614	5.5	18,503	23
Buried Cable	2423	3,591,743	5.5	427,552	24
Submarine Cable	2424	0			25
Deep Sea Cable	2425	0			26
Intrabuilding Network Cable	2426	0			27
Aerial Wire	2431	0			28

ACCUMULATED DEPRECIATION CLASS A & B

Primary Plant Account (a)	Acct (b)	Balance FOY (c)	Depr Rate (d)	Annual Accrual (e)	Additional Accrual (f)
CABLE WIRE FACILITIES ASSETS					
Conduit Systems	2441	230,553	3.5	39,171	29
Total-- CABLE WIRE FACILITIES ASSETS		3,922,910		485,226	0
Total Accumulated Depreciation	3100	6,139,311		808,368	0
Less: Allocation to Nonregulated Activity - Columns e, f and I	3100				30
Net Regulated Total Accum Depreciation - 3100					
Columns e, f and I					

ACCUMULATED DEPRECIATION CLASS A & B (cont.)

Acct (g)	Retired (h)	Cost of Removal (i)	Salvage (j)	Other (k)	Balance EOY (l)	
2112					104,694	1
2113					0	2
2114					0	3
2115					0	4
2116					87,354	5
2121					218,123	6
2122					8,718	7
2123	0				28,730	8
2124					52,684	9
	0	0	0	0	500,303	
2211					0	10
2212	0				1,477,606	11 A
2215	0				0	12
2220					0	13
2231	0				20,163	14
2232	0				539,875	15 A
	0	0	0	0	2,037,644	
2311					0	16
2321					0	17
2341					0	18
2351					0	19
2362					1,596	20
	0	0	0	0	1,596	
2411					0	21
2421	0				0	22
2422	0				119,117	23
2423	0				4,019,295	24
2424	0				0	25
2425					0	26
2426	0				0	27
2431					0	28

ACCUMULATED DEPRECIATION CLASS A & B (cont.)

Acct (g)	Retired (h)	Cost of Removal (i)	Salvage (j)	Other (k)	Balance EOY (l)	
2441					269,724	29
	0	0	0	0	4,408,136	
3100	0	0	0	0	6,947,679	
3100						30
3100						

ACCUMULATED DEPRECIATION CLASS A & B (SUB-CLASS ACCOUNTS)

Where subclassifications of primary plant accounts are used, report below the accumulated depreciation details for each subaccount. Amounts pertaining to subaccount 2212.4, Test Equipment, should be reported in account 2212.2, Digital Switching - Central Office; amounts for subaccounts 2231.3, Microwave, 2231.4, Cellular, 2231.5, Mobile Radio, and 2231.6, Paging, should be included in 2231.2, Other Radio Facilities; amounts pertaining to subaccounts 2232.4, Digital Data Services, 2232.5, Digital Circuit - Subscriber, 2232.6, Digital Circuit - Trunk - Toll, and 2232.7, Concentrators, should be reported in 2232.1, Digital Circuit Equipment. Any other separate accounting for telephone accumulated depreciation at an individual telephone company should be consolidated and reported in the primary accounts as defined in the uniform system of accounts.

Plant Subaccount (a)	Subacct (b)	Balance FOY (c)	Depr Rate (d)	Annual Accrual (e)	Additional Accrual (f)	
Office Support Equipment	2123.1	14,023	15.0	1,002		1
Company Communications Equipment	2123.2	13,705	20.0	0		2
Software	2212.1	186,479	25.0	9,091		3
Digital Switching - Central Office	2212.2	1,090,094	10.0	191,942		4
Digital Switching - Remote	2212.3	0				5
Step by Step Switching	2215.1	0				6
Crossbar Switching	2215.2	0				7
Satellite and Earth Station Facilities	2231.1	19,914	10.0	249		8
Other Radio Facilities	2231.2	0				9
Digital Circuit Equipment	2232.1	465,603	10.4	74,272		10 A
Analog Circuit Equipment	2232.2	0				11
Light Wave Circuit Equipment	2232.3	0				12
Aerial Cable - Nonmetallic	2421.1	0				13
Aerial Cable - Metallic	2421.2	0				14
Underground Cable - Nonmetallic	2422.1	100,614	5.5	18,503		15
Underground Cable - Metallic	2422.2	0				16
Buried Cable - Nonmetallic	2423.1	110,182	5.5	33,244		17
Buried Cable - Metallic	2423.2	3,481,561	5.5	394,308		18
Submarine Cable - Nonmetallic	2424.1	0				19
Submarine Cable - Metallic	2424.2	0				20
Intrabuilding Cable - Nonmetallic	2426.1	0				21
Intrabuilding Cable - Metallic	2426.2	0				22

ACCUMULATED DEPRECIATION CLASS A & B (SUB-CLASS ACCOUNTS) (cont.)

Subacct (g)	Retired (h)	Cost of Removal (i)	Salvage (j)	Other (k)	Balance EOY (l)	
2123.1					15,025	1
2123.2					13,705	2
2212.1					195,570	3
2212.2					1,282,036	4
2212.3					0	5
2215.1					0	6
2215.2					0	7
2231.1					20,163	8
2231.2					0	9
2232.1					539,875	10 A
2232.2					0	11
2232.3					0	12
2421.1					0	13
2421.2					0	14
2422.1					119,117	15
2422.2					0	16
2423.1					143,426	17
2423.2					3,875,869	18
2424.1					0	19
2424.2					0	20
2426.1					0	21
2426.2					0	22

NET DEFERRED OPERATING INCOME TAXES (ACCT. 1350, 1410, 1437, 4100, 4340, 4341 & 4361)

This schedule should be used to report the deferred operating income tax portion of the stated accounts. In addition, column (e) of this schedule should be used to report the flowback of property related excess deferred taxes (e.g., 46 percent versus 34 percent federal tax rates). Credit amounts should be shown in ().

Particulars (a)	Balance FOY (b)	
PROPERTY RELATED		
Other Current Assets (1350)	0	1
Other Noncurrent Assets (1410)	0	2
Deferred Tax Regulatory Asset (1437)	0	3
Net Current Deferred Operating Income Taxes (4100)	0	4
Net Noncurrent Deferred Operating Income Taxes (4340)	(380,124)	5 B
Net Deferred Tax Liability Adjustments (4341)	64,216	6 B
Deferred Tax Regulatory Liability (4361)	(97,253)	7 B
Net Property Related Deferred Operating Income Taxes	(413,161)	
Less: Allocation to Nonregulated Activity	0	8
Net Regulated Total Property Related Deferred Operating Income Taxes	(413,161)	
NONPROPERTY RELATED		
Other Current Assets (1350)	0	9
Other Noncurrent Assets (1410)	0	10
Deferred Tax Regulatory Asset (1437)	0	11
Net Current Deferred Operating Income Taxes (4100)	0	12
Net Noncurrent Deferred Operating Income Taxes (4340)	82,505	13 B
Net Deferred Tax Liability Adjustments (4341)	0	14
Deferred Tax Regulatory Liability (4361)	0	15
Total Nonproperty Related Deferred Operating Income Taxes	82,505	

NET DEFERRED OPERATING INCOME TAXES (ACCT. 1350, 1410, 1437, 4100, 4340, 4341 & 4361) (cont.)

Acct (c)	Current Year Accrual (d)	Current Year Amortization (e)	Adjustments Debit or (Credit) (f)	Balance EOY (g)	
7250				0	1
7250				0	2
				0	3
7250				0	4
7250			(14,932)	(395,056)	5 B
			(15,688)	48,528	6 B
			17,046	(80,207)	7 B
	0	0	(13,574)	(426,735)	
				0	8
	0	0	(13,574)	(426,735)	
7250				0	9
7250				0	10
				0	11
7250				0	12
7250			8,631	91,136	13 B
				0	14
				0	15
	0	0	8,631	91,136	

NOTES PAYABLE (ACCT. 4020)

For affiliate, list note by affiliate. For a particular affiliate, the identical affiliate name, as shown in the Affiliate Abbreviations schedule, should be reported in this schedule. For other, list by note by entity.

Name (a)	Issue Date (b)	Maturity (c)	Interest Rate (d)	Balance EOY (e)
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NONE

Total Notes Payable	<u><u>0</u></u>	1
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LONG-TERM DEBT

Report data requested and show total for each long-term debt account at end of year. Information concerning the following debt issues may be reported on individual lines in aggregate: REA/RTB 2%, REA/RTB 5%, & REA/RTB 7%. In addition, REA/RTB and FFB debt, respectively, within a range of 200 basis points may also be reported in aggregate on individual lines. If reported in aggregate, a range of dates may be reported in columns (b) and (c) as well as a range of interest rates in column (d) and a composite interest rate in column (e). If aggregation is not utilized, column (e) should contain the same interest rate as reported in column (d). For account 4050 report only the amount of debt anticipated to be repaid in one year or less.

Description of Debt (a)	Specific or Range of Stated Dates of Issue (b)	Specific or Range of Stated Dates of Maturity (c)	Specific or Range of Interest Rates (d)	
Funded Debt (Account 4210):				
RTB S010	07/19/1972	07/19/2007	4.0000	1
RTB S020, S021	06/09/1975	06/09/2010	8.0000	2
RTB S030	05/24/1979	05/24/2014	7.5000	3
RTB S040, S041	02/22/1990	02/22/2025	5.4300	4
RTB S042	02/22/1990	02/22/2025	6.0400	5
Rural Development Loan	08/18/1994	08/15/2004	.0000	6
RUS	03/13/1965	07/19/2007	2.0000	7
RUS 12060, 12062	05/24/1979	05/24/2014	5.0000	8
Total Funded Debt				

LONG-TERM DEBT (cont.)

Composite Interest Rate (e)	Held by Utility		Total Principal EOY (h)	Current Maturities Included in Acct. 4050 (i)	Total Amount Outstanding (j)	
	Reacquired Debt Acct. 4240 (f)	Sinking Funds Acct. 1408 (g)				
4.0000			188,631	21,004	209,635	1
8.0000			334,060	19,222	353,282	2
7.5000			370,798	13,823	384,621	3
5.4300			1,473,453	74,319	1,547,772	4
6.0400			543,133	35,095	578,228	5
.0000			50,926	11,111	62,037	6
2.0000			267,926	50,608	318,534	7
5.0000			1,246,171	43,300	1,289,471	8
	0	0	4,475,098	268,482	4,743,580	

CAPITAL STOCK ACCOUNTS AT END OF YEAR

In column (a) indicate the stated dividend rate applicable to each series of preferred stock.

Class and Series (a)	Shares Authorized by Charter (b)	Par Value per Share (c)	Call Price End of Year (d)
COMMON STOCK:			
	1,000,000	1.00	1
TOTAL COMMON STOCK	1,000,000		
TOTAL	<u>1,000,000</u>		

CAPITAL STOCK ACCOUNTS AT END OF YEAR (cont.)

	Acct. 4510 - Capital Stock		Acct. 4530 - Treasury Stock		
	Shares	Amount	Shares	Amount	
	(e)	(f)	(g)	(h)	
COMMON STOCK:					
	663,200	663,200			1
	663,200	663,200	0	0	
TOTAL	<u>663,200</u>	<u>663,200</u>	<u>0</u>	<u>0</u>	

RETAINED EARNINGS (ACCT. 4550)

Particulars (a)	This Year (b)	Last Year (c)	
Balance-First of Year	5,762,060	5,386,238	1
Changes:			
Balance Transferred from Income	697,406	554,886	2
Dividends Declared:			
Common	59,688	179,064	3
Preferred			4
Total Dividends Declared	59,688	179,064	
Miscellaneous Debits to Retained Earnings			5
Miscellaneous Credits to Retained Earnings			6
Balance--End of Year	<u>6,399,778</u>	<u>5,762,060</u>	

DISTRIBUTION OF TAXES

1. Report hereunder the summary accounts and functions charged with taxes accrued during the year.
2. Where allocation is necessary, explain the basis used.
3. Report in a footnote the amounts and kind of taxes cleared from prepaid taxes, if any.

Summary Account/ Function Charged (a)	Wisconsin License Fee (b)	Wisconsin Income Tax (c)	Federal Income Tax (d)	
Operating Taxes (Accts. 7210 - 7250)	167,087	60,023	220,556	1
Nonoperating Taxes (Accts. 7410 - 7450)		23,612	80,406	2
Extraordinary Items (Accts. 7630 & 7640)				3
Nonregulated Net Income (Acct. 7990)		(654)	(1,455)	4
Clearing Accounts				5
Construction				6
Payroll Taxes: FICA				7
Payroll Taxes: State Unemployment				8
Payroll Taxes: Federal Unemployment				9
Other (specify):				
Investment Tax Credit			21,773	10
Deferred Taxes		(5,691)	(10,209)	11
CATV-Federal			14,064	12
CATV-State		3,761		13
TOTAL	<u>167,087</u>	<u>81,051</u>	<u>325,135</u>	

DISTRIBUTION OF TAXES (cont.)

PSC Remainder Assessment (e)	Local Property Tax (f)	State & Local Taxes Other than Wisconsin (g)	Other Taxes (h)	Payroll Taxes (i)	Total (j)	
3,399					451,065	1
					104,018	2
					0	3
					(2,109)	4
					0	5
					0	6
				41,884	41,884	7
				355	355	8
				844	844	9
					21,773	10
					(15,900)	11
					14,064	12
					3,761	13
<u>3,399</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>43,083</u>	<u>619,755</u>	

REVENUES - CLASS A & B (CLASS B USE ACCOUNTS DESIGNATED BY *)

Particulars (a)	This Year (b)	Last Year (c)	
LOCAL NETWORK SERVICES REVENUES			
Basic Local Service Revenue (5000)*	734,175	680,144	1
Basic Area Revenue (5001)			2
Optional Extended Area Revenue (5002)			3
Cellular Mobile Revenue (5003)			4
Other Mobile Services Revenue (5004)			5
Public Telephone Revenue (5010)			6
Local Private Line Revenue (5040)			7
Customer Premises Revenue (5050)			8
Other Local Exchange Revenue (5060)			9
Other Local Exchange Revenue Settlements (5069)			10
TOTAL BASIC LOCAL SERVICE REVENUE (5000)	734,175	680,144	
NETWORK INTERSTATE ACCESS SERVICES REV.			
End User Revenue (5081)*	219,268	211,329	11
Switched Access Revenue (5082)*	1,015,325	808,330	12 E
Special Access Revenue (5083)*	50,533	77,720	13 E
TOTAL INTERSTATE ACCESS REVENUES (5080)	1,285,126	1,097,379	
NETWORK INTRASTATE ACCESS SERVICES REV.			
End User Revenue (5084.1)*	0	0	14
Switched Access Revenue (5084.2)*	597,124	617,026	15
Special Access Revenue (5084.3)*	46,864	48,192	16
TOTAL INTRASTATE ACCESS REVENUES (5084)	643,988	665,218	
LONG DISTANCE NETWORK SERVICES MESSAGE REV.			
Long Distance Message Revenue (5100)*	0	0	17
Long Distance Inward-Only Revenue (5111)			18
Long Distance Outward-Only Revenue (5112)			19
Unidirectional Long Distance Revenue (5110)	0	0	
Long Distance Private Network Revenues			
Subvoice Grade Revenue (5121)			20
Voice Grade Revenue (5122)			21
Audio Program Grade Revenue (5123)			22
Video Program Grade Revenue (5124)			23
Digital Transmission Revenue (5125)			24
Switching Revenue (5126)			25
Other Revenue (5128)			26
Other Revenue Settlements (5129)			27
Total Long Distance Private Network Revenue	0	0	
Other Long Distance Revenue (5160)			28
Other Long Distance Revenue Settlements (5169)			29
TOTAL LONG DISTANCE NET. SERVICES MESSAGE REV.	0	0	

REVENUES - CLASS A & B (CLASS B USE ACCOUNTS DESIGNATED BY *)

Particulars (a)	This Year (b)	Last Year (c)	
MISCELLANEOUS REVENUES			
Directory Revenue (5230)*	131,182	124,720	30
Rent Revenue (5240)*	0	0	31
Corporate Operations Revenue (5250)*	0	0	32
Miscellaneous:			
Miscellaneous Revenue (5260)*	6,762	18,974	33 F
Special Billing Arrangements Revenue (5261)			34
Customer Operations Revenue (5262)			35
Plant Operations Revenue (5263)			36
Other Incidental Regulated Revenue (5264)			37
Other Revenue Settlements (5269)			38
Total Miscellaneous Revenue (5260)	6,762	18,974	
Interstate Billing and Collection Revenue*	34,349	37,785	39
Intrastate Billing and Collection Revenue*	64,802	60,255	40
Total Carrier Billing and Collection Revenue (5270)*	99,151	98,040	
Nonregulated Operating Revenue (5280)**			41
TOTAL MISCELLANEOUS REVENUES	237,095	241,734	
GROSS OPERATING REVENUES	2,900,384	2,684,475	
UNCOLLECTIBLE REVENUES			
Uncollectible Revenue (5300)*	(202)	(1,744)	42
Uncollectible Revenue--Telecommunications (5301)			43
Uncollectible Revenue--Other (5302)			44
TOTAL UNCOLLECTIBLE REVENUE (5300)	(202)	(1,744)	
TOTAL OPERATING REVENUES	2,900,586	2,686,219	

** Account 5280 is to be used only by those companies subject to dual jurisdiction.

EXPENSE MATRIX - CLASS A & B

Particulars (a)	Total Last Year (b)	Total This Year (c)	Salaries / Wages (d)	
PLANT SPECIFIC OPERATIONS EXPENSE				
Total Network Support Expense (6110)	(1,343)	0		1
Less: Nonregulated	0	0		2
Net Regulated	(1,343)	0	0	3
Total General Support Expense (6120)	28,090	28,819		4
Less: Nonregulated	0	0		5
Net Regulated	28,090	28,819	0	6
Total Central Office Switching Expense (6210)	69,387	70,654		7
Less: Nonregulated	0	0		8
Net Regulated	69,387	70,654	0	9
Total Operator Systems Expense (6220)	0	0		10
Less: Nonregulated	0	0		11
Net Regulated	0	0	0	12
Total Central Office Transmission Expenses (6230)	45,644	56,037		13
Less: Nonregulated	0	0		14 c
Net Regulated	45,644	56,037	0	15
Total Information Orig. / Term. Expense (6310)	323	0		16
Less: Nonregulated	0	0		17
Net Regulated	323	0	0	18
Total Cable and Wire Fac. Expense (6410)	134,662	138,858		19
Less: Nonregulated	0	0		20
Net Regulated	134,662	138,858	0	21
TOTAL PLANT SPECIFIC OPERATIONS EXPENSE	276,763	294,368	0	
Less: Nonregulated	0	0	0	
Net Regulated	276,763	294,368	0	
PLANT NONSPECIFIC OPERATIONS EXPENSE				
Total Other Property, Plant and Equip. Exp. (6510)	0	0	0	22
Less: Nonregulated	0	0		23
Net Regulated	0	0	0	24
Total Network Operations Expense (6530)	60,254	63,681		25
Less: Nonregulated	0	0		26
Net Regulated	60,254	63,681	0	27
Access Expense (6540)	0	13,439		28
Less: Nonregulated	0	0		29 G
Net Regulated	0	13,439	0	30
Total Depreciation and Amortization Expense (6560)	806,424	804,961		31
Less: Nonregulated	0	0		32
Net Regulated	806,424	804,961		33
TOTAL PLANT NONSPECIFIC OPERATIONS EXP.	866,678	882,081	0	
Less: Nonregulated	0	0	0	
Net Regulated	866,678	882,081	0	

EXPENSE MATRIX - CLASS A & B (cont.)

Account (e)	Benefits (f)	Rents (g)	Other (h)	Clearances to (from) (i)	
6110			0		1
					2
	0	0	0	0	3
6120			28,819		4
					5
	0	0	28,819	0	6
6210			70,654		7
					8
	0	0	70,654	0	9
6220					10
					11
	0	0	0	0	12
6230			56,037		13
					14 c
	0	0	56,037	0	15
6310					16
					17
	0	0	0	0	18
6410			138,858		19
					20
	0	0	138,858	0	21
	0	0	294,368	0	
	0	0	0	0	
	0	0	294,368	0	
6510	0	0	0	0	22
					23
	0		0	0	24
6530			63,681		25
					26
	0	0	63,681	0	27
6540			13,439		28
					29 G
	0	0	13,439	0	30
6560			804,961		31
					32
			804,961		33
	0	0	882,081	0	
	0	0	0	0	
	0	0	882,081	0	

EXPENSE MATRIX - CLASS A & B

Particulars (a)	Total Last Year (b)	Total This Year (c)	Salaries / Wages (d)
CUSTOMER OPERATIONS EXPENSE			
Total Marketing (6610)	1,034	363	34
Less: Nonregulated	0	0	35
Net Regulated	1,034	363	0 36
Total Services (6620)	297,866	313,952	37
Less: Nonregulated	0	0	38
Net Regulated	297,866	313,952	0 39
TOTAL CUSTOMER OPERATIONS EXPENSE	298,900	314,315	0
Less: Nonregulated	0	0	0
Net Regulated	298,900	314,315	0
CORPORATE OPERATIONS EXPENSE			
Total Exec. and Planning (6710)	64,933	67,179	40
Less: Nonregulated	0	0	41
Net Regulated	64,933	67,179	0 42
Total General and Administrative (6720)	200,986	204,511	43
Less: Nonregulated	0	0	44
Net Regulated	200,986	204,511	0 45
Provision for Uncollectible Notes Receiv. (6790)	0	0	46
Less: Nonregulated	0	0	47
Net Regulated	0	0	48
TOTAL CORPORATE OPERATIONS EXPENSE	265,919	271,690	0
Less: Nonregulated	0	0	0
Net Regulated	265,919	271,690	0
TOTAL EXPENSES	1,708,260	1,762,454	0
Less: Nonregulated	0	0	0
Net Regulated	1,708,260	1,762,454	0

EXPENSE MATRIX - CLASS A & B (cont.)

Account (e)	Benefits (f)	Rents (g)	Other (h)	Clearances to (from) (i)	
6610			363		34
					35
	0	0	363	0	36
6620			313,952		37
					38
	0		313,952	0	39
	0	0	314,315	0	
	0	0	0	0	
	0	0	314,315	0	
6710			67,179		40
					41
	0		67,179	0	42
6720			204,511		43
					44
	0		204,511	0	45
6790					46
					47
			0		48
	0	0	271,690	0	
	0	0	0	0	
	0	0	271,690	0	
	0	0	1,762,454	0	
	0	0	0	0	
	0	0	1,762,454	0	

EXPENSE MATRIX - CLASS A & B (DETAIL)

Particulars (a)	Total Last Year (b)	Total This Year (c)	Salaries/ Wages (d)	
Property Held for Future Tele. Use Exp. (6511)	0	0		1
Provisioning Expense (6512)	0	0		2
Total: Reported in Account 6510	0	0	0	
Depreciat. Exp.--Tele. Plant in Service (6561)	806,424	804,961		3
Depreciat. Exp.--Prop. Held for Future Tele. Use (6562)	0	0		4
Amortization Expense--Tangible (6563)	0	0		5
Amortization Expense--Intangible (6564)	0	0		6
Amortization Expense--Other (6565)	0	0		7
Total: Reported in Account 6560	806,424	804,961		

EXPENSE MATRIX - CLASS A & B (DETAIL) (cont.)

Account (e)	Benefits (f)	Rents (g)	Other (h)	Clearances to (from) (i)	
6511					1
6512					2
	0		0	0	
6561			804,961		3
6562					4
6563					5
6564					6
6565					7
			804,961		

CALCULATION OF ASSESSABLE REVENUES FOR REMAINDER AND TELEPHONE RELAY ASSESSMENT PURPOSES

Currently, cooperatives are not billed for remainder assessment, but are subject to Department of Justice and telephone relay assessments.

Description (a)	This Year (b)	
Gross Operating Revenues	2,900,384	1
Plus: Collection of amounts previously written off	0	2
Less: Uncollectibles written off during the year	0	3
Plus: Total Other Operating Income and (Expense) (7100)	0	4
Less: Nonregulated Operating Revenue (included Gross Oper. Rev. on Line 1)		5
Plus: Nonregulated Net Write Off Amount (included on lines 2 and 3)		6
Less: Out-of-State Operating Revenues (included in Gross Oper. Rev. on Line 1)		7
Plus (or Less) Other (please specify):		8
Assessable Revenues for Remainder, Department of Justice, and Telephone Relay Assessment Purposes		<u>2,900,384</u>

CALCULATION OF ASSESSABLE REVENUES FOR UNIVERSAL SERVICE FUND ASSESSMENT PURPOSES

Description (a)	This Year (b)	
Total Basic Local Service Revenue (5000)	734,175	1
Plus: Total Intrastate Access Revenues (5084)	643,988	2
Plus: Total Long Distance Network Services Revenue	0	3
Less: Out-of-State Operating Revenues (included in the above lines)		4
Plus (or Less) Other (please specify):		5
Assessable Revenues for Universal Service Fund Assessment Purposes	<u>1,378,163</u>	

CALCULATION OF ASSESSABLE REVENUES FOR REMAINDER AND TELEPHONE RELAY ASSESSMENT PURPOSES

Currently, cooperatives are not billed for remainder assessment, but are subject to the telephone relay assessment.

Description (a)	This Year (b)	
Gross Operating Revenues	2,900,384	1
Plus: Collection of amounts previously written off	0	2
Less: Uncollectibles written off during the year	0	3
Plus: Total Other Operating Income and (Expense) (7100)	0	4
Less: Nonregulated Operating Revenue (included Gross Oper. Rev. on Line 1)		5
Plus: Nonregulated Net Write Off Amount (included on lines 2 and 3)		6
Less: Out-of-State Operating Revenues (included in Gross Oper. Rev. on Line 1)		7
Plus (or Less) Other (please specify):		8
Assessable Revenues for Remainder and Telephone Relay Assessment Purposes		<u>2,900,384</u>

CALCULATION OF ASSESSABLE REVENUES FOR UNIVERSAL SERVICE FUND ASSESSMENT PURPOSES

Description (a)	This Year (b)	
Total Basic Local Service Revenue (5000)	734,175	1
Plus: Total Intrastate Access Revenues (5084)	643,988	2
Plus: Total Long Distance Network Services Revenue	0	3
Less: Out-of-State Operating Revenues (included in the above lines)		4
Plus (or Less) Other (please specify):		5
Assessable Revenues for Universal Service Fund Assessment Purposes		<u>1,378,163</u>

OTHER INCOME ACCOUNTS (CLASS B USE ACCOUNTS DESIGNATED BY *)

Particulars (a)	This Year (b)	Last Year (c)	
OTHER OPERATING INCOME AND EXPENSE			
Income from Custom Work (7110)*	0	0	1
Return from Nonregulated Use of Regulated Facilities (7130)*	0	0	2
Gains and (Losses) from Foreign Exchange (7140)			3
Gains or (Losses) from the Disposition of Land and Artworks (7150)			4
Other Operating Gains and (Losses) (7160)*	0	0	5
TOTAL OTHER OPERATING INCOME AND (EXPENSE) (7100)*	0	0	
OPERATING TAXES			
Operating Investment Tax Credits--Net (7210)*	(21,773)	(21,773)	6
Operating Federal Income Taxes (7220)*	239,260	190,076	7
Operating State and Local Income Taxes (7230)*	58,127	46,859	8
Operating Other Taxes (7240)*	170,486	158,689	9
Provision for Deferred Operating Income Taxes--Net (7250)*	4,965	9,238	10
TOTAL OPERATING TAXES (7200)*	451,065	383,089	
NONOPERATING INCOME AND EXPENSE			
Dividend Income (7310)*	30,000	0	11
Interest Income (7320)*	318,409	255,410	12
Income from Sinking and Other Funds (7330)*	0	0	13
Allowance for Funds Used During Construction (7340)*	0	5,137	14
Gains or (Losses) from the Disposition of Certain Property (7350)*	0	0	15
Other Nonoperating Income (7360)*	41,831	39,903	16
Special Charges (7370)*	7,985	7,038	17
TOTAL NONOPERATING INCOME AND EXPENSE (7300)*	382,255	293,412	
NONOPERATING TAXES			
Nonoperating Investment Tax Credits--Net (7410)*	0	0	18
Nonoperating Federal Income Taxes (7420)*	73,939	61,438	19
Nonoperating State and Local Income Taxes (7430)*	19,784	17,180	20
Nonoperating Other Taxes (7440)*	0	0	21
Provision for Deferred Nonoperating Income Taxes-Net (7450)*	10,295	(1,614)	22
TOTAL NONOPERATING TAXES (7400)*	104,018	77,004	
INTEREST AND RELATED ITEMS			
Interest on Funded Debt (7510)*	262,010	272,232	23
Interest Expense--Capital Leases (7520)*	0	0	24
Amortization of Debt Issuance Expense (7530)*	177	193	25
Other Interest Deductions (7540)*	515	332	26
TOTAL INTEREST AND RELATED ITEMS (7500)*	262,702	272,757	
EXTRAORDINARY ITEMS			
Extraordinary Items (7600)*	0	0	27
Extraordinary Income Credits (7610)			28
Extraordinary Income Charges (7620)			29
Current Income Tax Effect of Extraordinary Items--Net (7630)			30
Provision for Deferred Income Tax Effect of Extraordinary Items--Net (7640)			31
TOTAL EXTRAORDINARY ITEMS (7600)*	0	0	
NONREGULATED NET INCOME			
Nonregulated Net Income (7990)*	(5,196)	16,365	32

NONREGULATED NET INCOME (ACCT. 7990)

Particulars (a)	Amount (b)	
Revenues (Acct. 7990.1)		
Gross Sales	226,989	1
Less: Cost of Goods Sold		2
Net Sales	226,989	3
Expenses (Acct. 7990.2)	232,185	4
Nonregulated Net Income	<u>(5,196)</u>	5

List the type of nonregulated activities that company is involved in:

The nonregulated activities consist of internet sales, sales and leasing of equipment, and the sales and leasing of pagers.

If the revenues from an individual nonregulated activity represent in excess of 5% of the total operating revenues for the company, please provide the amounts, as requested above, for that individual activity:

DISTRIBUTION OF SALARIES AND WAGES

Description (a)	Amount (b)	
Regulated Expense	0	1
Nonregulated Expense		2
Plant Accounts		3
Accumulated Depreciation Accounts		4
All Other Accounts	544,724	5
Total Salaries and Wages	544,724	6 D

EMPLOYEE DATA

Compensation includes wages, commissions, bonuses and any other cash allowances paid to employees.

Employee Category (a)	Number of Equivalent Full-Time Employees		Total Compensation (d)	
	FOY (b)	EOY (c)		
Officers	3.00	3.00	183,240	1
Supervision and Other Management		.00		2
Other Employees	11.00	10.00	361,484	3
Total	14.00	13.00	544,724	

EMPLOYEE DATA

Compensation includes wages, commissions, bonuses and any other cash allowances paid to employees.

Employee Category (a)	Number of Equivalent Full-Time Employees		Total Compensation (d)	
	FOY (b)	EOY (c)		
Officers	3.00	3.00	183,240	1
Supervision and Other Management		.00		2
Other Employees	11.00	10.00	361,484	3
Total	14.00	13.00	544,724	

TELEPHONE CALLS AND MINUTES OF USE PER MONTH

Enter average number, in thousands, of calls and minutes of use per month. The averages may be based on actual counts taken periodically during the year. Please provide level of detail available.

Item (a)	Telephone Calls (000's) (b)	Minutes of Use (000's) (c)	
LOCAL			
Intra-Exchange	622	1,763	1
Extended Area Service	49	81	2
Extended Community Calling	48	140	3
Other Local-Undefined			4
Total Local	719	1,984	
TOLL			
Operator Handled: State--intraLATA			5
Operator Handled: State--interLATA			6
Operator Handled: Interstate			7
Customer Dialed: State--intraLATA			8
Customer Dialed: State--interLATA			9
Customer Dialed: Interstate			10
WATS			11
Other Toll-Undefined	260	940	12
Total Toll	260	940	
Total Local & Toll	979	2,924	

ACCESS USAGE

Enter number, in thousands, of Billed Minutes.

Description (a)	Billed Minutes (000's)				
	Interstate InterLATA (b)	Intrastate InterLATA (c)	Intrastate IntraLATA (d)	Interstate IntraLATA (e)	
Feature Group A -- Orig.					1
Feature Group A -- Term.					2
Feature Group B -- Orig.			39		3
Feature Group B -- Term.					4
Feature Group C -- Orig.			995		5
Feature Group C -- Term.			892		6
Feature Group D -- Orig.	5,719	4,745			7
Feature Group D -- Term.	3,904	1,306			8

OUTSIDE PLANT STATISTICS AT END OF YEAR

Description of Item (a)	Amount (b)	
Sheath miles of plant - aerial	0	1
Sheath miles of plant - buried	725	2
Sheath miles of plant - fiber optics	39	3
Strand miles of plant - fiber optics	359	4
Route miles of plant - microwave	0	5

SPECIAL ACCESS CIRCUITS IN USE AT END OF YEAR

Circuit Type (a)	InterLATA Chan. Terms. (b)	IntraLATA Chan. Terms. (c)	
Voice grade	14	24	1
56 kbps	14	3	2
64 kbps (DS0)	1	1	3
1.54 Mbps (DS-1)	12	3	4
45 Mbps (DS-3)	0	0	5
SONET OC-1	0	0	6
SONET OC-3	0	0	7
SONET OC-12	0	0	8
SONET OC-48	0	0	9
SONET OC-192	0	0	10

OUTSIDE PLANT STATISTICS AT END OF YEAR

Description of Item (a)	Amount (b)	
Sheath miles of plant - aerial	0	1
Sheath miles of plant - buried	725	2
Sheath miles of plant - fiber optics	39	3
Strand miles of plant - fiber optics	359	4
Route miles of plant - microwave	0	5

SPECIAL ACCESS CIRCUITS IN USE AT END OF YEAR

Circuit Type (a)	InterLATA Chan. Terms. (b)	IntraLATA Chan. Terms. (c)	
Voice grade	14	24	1
56 kbps	14	3	2
64 kbps (DS0)	1	1	3
1.54 Mbps (DS-1)	12	3	4
45 Mbps (DS-3)	0	0	5
SONET OC-1	0	0	6
SONET OC-3	0	0	7
SONET OC-12	0	0	8
SONET OC-48	0	0	9
SONET OC-192	0	0	10

SERVICE DATA

Access Line--Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency, and/or time slot. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice or 64 Kilobits/second. Customer--A person who uses a telephone as a subscriber.

Item (a)	FOY (b)	EOY (c)	
Business			
1 Party	1,010	1,037	3
2 Party			4
4 Party			5
PBX Trunks/System Trunks	68	68	6
Centrex Trunks			7
Centrex Lines			8
Key System Trunks			9
Mobile (Utility Provided Service)			10
Paging (Utility Provided Service)	17	17	11
FX-Out (Switched)			12
Pay Telephone	28	30	13
Coin-Operated Pay Telephone	0	0	14
Independent Pay Telephone Provider	16	19	15
Pay Stations - Public	0	0	16
- Semi-Public	0	0	17
- Cust. Owned	0	0	18
Other			19
Total Business Lines	1,139	1,171	20
Residential (Incl. Emp. Concess.)			
1 Party	3,409	3,528	22
2 Party			23
4 Party			24
FX-Out (Switched)			25
Other			26
Total Residential Lines	3,409	3,528	27
Total Bus & Res Lines	4,548	4,699	28
Company Used Lines	50	50	29
Total Lines Used	4,598	4,749	30

SERVICE DATA (cont.)

Access Line--Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency, and/or time slot. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice or 64 Kilobits/second. Customer--A person who uses a telephone as a subscriber.

Item (a)	FOY (b)	EOY (c)	
Miscellaneous			
WATS Lines - OutWATS	5	5	3
WATS Lines - 800 Service			4
FX-In-intraLATA			5
Special Access-intraLATA			6
(expressed in equiv. access lines)	82	100	7
Special Access-interLATA			8
(expressed in equiv. access lines)	263	317	9
Feature Group A Lines			10
Feature Group B Trunks			11
Feature Group C Trunks	24	24	12
Feature Group D Trunks	143	143	13
TSPS - Trunks	16	16	14
EAS - Trunks	48	48	15
Cellular Trunks (Pub. Sw. Net.)			16
Video Distance Learning			17
- discounted (special tariff)			18
Customers			
Business - 2 Party Customers			19
Business - 4 Party Customers			20
Residential - 2 Party Customers			21
Residential - 4 Party Customers			22
Other			
Total Central Office, Info. Orig./Term., & Cable			23
Wire Fac. Assets (based on physical			24
location of plant)	11,986,385	12,387,600	25
Total Company Square Miles	407	407	26
Total Company Route Miles	420	420	27
Footnotes			28
			29
			30

SERVICE DATA - END OF YEAR

Access Line--Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency, and/or time slot. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice or 64 Kilobits/second. Customer--A person who uses a telephone as a subscriber.

Item (a)	Exchange (b)	Exchange (c)	Exchange (d)	Exchange (e)	
PSCW Exchange ID	4180	4400	4985		1
Business					2
1 Party	795	220	22		3
2 Party					4
4 Party					5
PBX Trunks/System Trunks	68				6
Centrex Trunks	---CONF---	---CONF---	---CONF---		7
Centrex Lines					8
Key System Trunks					9
Mobile (utility provided service)					10
Paging (utility provided service)	17				11
FX-Out (Switched)					12
Pay Telephone	24	4	2		13
Coin-Operated Pay Telephone	0	0	0		14
Independent Pay Telephone Provider	12	7	0		15
Pay Stations - Public	0	0	0		16
- Semi-Public	0	0	0		17
- Cust. Owned	0	0	0		18
Other					19
Total Business Lines	916	231	24	0	20
Residential (Incl. Emp. Concess.)					21
1 Party	2,558	532	438		22
2 Party					23
4 Party					24
FX-Out (Switched)					25
Other					26
Total Residential Lines	2,558	532	438	0	27
Total Bus & Res Lines	3,474	763	462	0	28
Company Used Lines	42	4	4		29
Total Lines Used	3,516	767	466	0	30

SERVICE DATA - END OF YEAR (cont.)

Access Line--Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency, and/or time slot. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice or 64 Kilobits/second. Customer--A person who uses a telephone as a subscriber.

Item (a)	Exchange (b)	Exchange (c)	Exchange (d)	Exchange (e)	
PSCW Exchange ID	4180	4400	4985		1
Miscellaneous					2
WATS Lines - OutWATS		5			3
WATS Lines - 800 Service					4
FX-In-intraLATA					5
Special Access-intraLATA					6
(equiv. access lines)	73	27			7
Special Access-interLATA					8
(equiv. access lines)	283	34			9
Feature Group A Lines					10
Feature Group B Trunks					11
Feature Group C Trunks	24				12
Feature Group D Trunks	143				13
TSPS - Trunks	16				14
EAS - Trunks	48				15
Cellular Trunks (Pub. Sw. Net.)					16
Video Distance Learning					17
- discounted (special tariff)					18
Customers					19
Business - 2 Party Customers					20
Business - 4 Party Customers					21
Residential - 2 Party Customers					22
Residential - 4 Party Customers					23
Other					24
Exchange C.O., Info. Orig./Term., & Cable					25
Wire Fac. Assets (based on physical					26
location of plant)	9,435,116	1,396,924	1,555,560		27
Exchange Square Miles	227	74	106		28
Exchange Route Miles	268	82	70		29
Footnotes					30

MANUFACTURER ABBREVIATIONS

Use these abbreviations when completing the central office data schedule.

Manufacturer Name (a)	Abbreviation (b)	
Alcatel	AL	1
ATTC	ATT	2
GTE	GTE	3
ITT	ITT	4
Lucent	ATT/LUC	5
Nippon Electric	NEC	6
Northern Telecom	NTI	7
Siemens	SI	8
Stromberg-Carlson	SC	9
VIDAR	VI	10

EQUIPMENT ABBREVIATIONS

Use these abbreviations when completing the central office data schedule.

Equipment Type (a)	Abbreviation (b)	
Electromechanical	EM	1
Electronic--Analog	A	2
Electronic--Digital	D	3
Electronic--Video	V	4

MANUFACTURER ABBREVIATIONS

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Electronic--Video	V	4

CENTRAL OFFICE DATA - END OF YEAR

When an exchange has more than one central office, data must be reported for each central office.

Description (a)	Central Off. (b)	Central Off. (c)	Central Off. (d)	Central Off. (e)	
Exchange Name	PHILLIPS	PHILLIPS	PRENTICE	SOO LAKE	1
PSCW Exchange ID	4180	4180	4400	4985	2
Central Office Name	PHILLIPS	MUSSER	PRENTICE	SOO LAKE	3
PSCW Central Office ID	1	2	1	1	4
Manufacturer of COE (Page 54)	SC	SC	SC	SC	5
Year COE Installed	1991	1991	1991	1991	6
Type of Equipment (Page 54)	D	D	D	D	7
(S)tandalone, (H)ost, (R)emote	H	R	R	R	8
Remote Host PSCW Exchange ID		4180	4180	4180	9
Remote Host PSCW Central Office ID	0	1	1	1	10
COE Generic Software Release No.	19.0	19.0	19.0	19.0	11
SS7?	Yes	Yes	Yes	Yes	12
9-1-1?	Yes	Yes	Yes	Yes	13
Access Lines - In Use	3,516	0	767	466	14
- Equipped	3,780	0	900	537	15
- Wired	3,780	0	900	537	16
Trunks - In Use	231	0	0	0	17
- Equipped	405	0	0	0	18
- Wired	415	0	0	0	19
ISDN Available?	No	No	No	No	20
ISDN Lines - In Use (BRI)	0	0	0	0	21
- In Use (PRI)	0	0	0	0	22
Switched 56 Service?	Yes	Yes	Yes	Yes	23
Switched 56 lines in use	0	0	0	0	24
Digital Transmission Facilities: DS-1 - In Use	13	0	2	0	25
DS-3 - In Use	4	0	1	1	26
Advanced Data Service Available:					
Packet Switching?	No	No	No	No	27
SMDS?	No	No	No	No	28
Frame Relay?	No	No	No	No	29
ATM (Asynchronous Trans. Mode)?	No	No	No	No	30
Video Information - Service Available?	No	No	No	No	31
- In Use (# lines) ¹	0	0	0	0	32
Fiber Transmission Facilities:					
No. of fiber strands entering C.O.	108	0	28	16	33
No. of fiber strands working (LIT) in C.O.	16	0	12	4	34
No. of fiber strands for interoffice use	8	0	0	0	35
Miles of fiber sheath in wire center	24	0	9	6	36
Access Tandem Serving this C.O.:					
- C.O. Name	RICE LAKE	RICE LAKE	RICE LAKE	RICE LAKE	37
- PSCW C.O. ID	4570-01	4570-01	4570-01	4570-01	38
Does this C.O. do access tandem switching?	No	No	No	No	39
Equal Access: InterLATA (1+)?	Yes	Yes	Yes	Yes	40
Equal Access: IntraLATA (1+)?	No	No	No	No	41
Footnotes					42

¹ Teleco provided end-to-end facility.

CENTRAL OFFICE DATA - END OF YEAR

When an exchange has more than one central office, data must be reported for each central office.

Description (a)	Central Off. (b)	Central Off. (c)	Central Off. (d)	Central Off. (e)	
Exchange Name	SOO LAKE				1
PSCW Exchange ID	4985				2
Central Office Name	CONNORS				3
PSCW Central Office ID	2				4
Manufacturer of COE (Page 54)	SC				5
Year COE Installed	1991				6
Type of Equipment (Page 54)	D				7
(S)tandalone, (H)ost, (R)emote	R				8
Remote Host PSCW Exchange ID	4180				9
Remote Host PSCW Central Office ID	1				10
COE Generic Software Release No.	19.0				11
SS7?	No				12
9-1-1?	Yes				13
Access Lines - In Use	0				14
- Equipped	0				15
- Wired	0				16
Trunks - In Use	0				17
- Equipped	0				18
- Wired	0				19
ISDN Available?	No				20
ISDN Lines - In Use (BRI)	0				21
- In Use (PRI)	0				22
Switched 56 Service?	Yes				23
Switched 56 lines in use	0				24
Digital Transmission Facilities: DS-1 - In Use	0				25
DS-3 - In Use	0				26
Advanced Data Service Available:					
Packet Switching?	No				27
SMDS?	No				28
Frame Relay?	No				29
ATM (Asynchronous Trans. Mode)?	No				30
Video Information - Service Available?	No				31
- In Use (# lines) ¹	0				32
Fiber Transmission Facilities:					
No. of fiber strands entering C.O.	0				33
No. of fiber strands working (LIT) in C.O.	0				34
No. of fiber strands for interoffice use	0				35
Miles of fiber sheath in wire center	0				36
Access Tandem Serving this C.O.:					
- C.O. Name	RICE LAKE				37
- PSCW C.O. ID	4570-01				38
Does this C.O. do access tandem switching?	No				39
Equal Access: InterLATA (1+)?	Yes				40
Equal Access: IntraLATA (1+)?	No				41
Footnotes					42

¹ Teleco provided end-to-end facility.

GENERAL, SCHEDULE LEVEL AND SCHEDULE LINE FOOTNOTES

General Footnote

Response received 11/10/99:

Item 1 docket number should be 4870-AT-100.

Item 2 No revisions are necessary. Page 16 balance for a/c 1190 consists of Federal tax payments payable to the parent from its subsidiary. A/c 4010 consists of dividend payments received on behalf of parent from RSA#2. These are eliminated in consolidation (instructions from staff re this issue will be included in the 1999 program).

Item 3 provided in Oct. 12, 1998 letter to commission (entered into 1997 report)

Item 4 have added Rice Lake as central office tandem for Connors central office, page 55
ele

October 20, 1999

Ms. Catherine M. Mess, Secretary
Price County Telephone Company
105 North Avon Avenue
P.O. Box 108
Phillips, WI 54555-0108

Re: 1998 Analytical Review DWCCA-4870-ELE

Dear Ms. Mess:

The Public Service Commission (PSC) is in the process of completing an analytical review of your utility's 1998 annual report. The purposes of an analytical review are to detect possible reporting or accounting related errors and to identify significant fluctuations from established trends in reported data not sufficiently explained in the annual report. It is our hope that our review will supply information that will enable us to better provide guidance to your utility regarding proper utility accounting and the preparation of future annual reports. In order to complete this review, we request the following information:

1. In column (b) on copy 1 of page 15, you report 6000?AT?101 as the applicable docket number for the affiliated interest transactions between Price County Telephone Company and Computer Systems Limited Liability Corporation (CSLLC). The Commissions Case Management System indicates that the docket number for the filed agreement is 4870?AT?100. Please confirm that 4870?AT?100 should be substituted for 6000?AT?101 on copy 1 of page 15.
2. On copy 1 of page 16, end-of-year balances are shown for Accounts 1190, Other Accounts Receivable, and 4010, Accounts Payable, concerning the affiliated activity with Price County Information Systems, Inc. (PCIS). Please state if any revisions are necessary to copy 1 of page 15 to reflect 1998 affiliated activity with PCIS.
3. During our review, we noted we cannot locate a response to your 1997 analytical review letter dated September 25, 1998. One matter remains relevant: Please provide the journal entry(ies) recorded on the telcos books for the transaction concerning the deregulation of payphone assets,

GENERAL, SCHEDULE LEVEL AND SCHEDULE LINE FOOTNOTES

whether transferred below-the-line or to a separate affiliate, basis of valuation and how it compared to net book value, and the date of such journal entry(ies). If you did reply, please provide a copy of your response, and we apologize for any inconvenience.

4. We have revised the Central Office schedule, page 55, by adding Rice Lake as the central office tandem on line 37 for the Connors central office, Soo Lake exchange. Please correct your copy accordingly.

We appreciate your cooperation in providing the above information. These recommendations are intended to provide accounting assistance and should not be construed as criticisms of utility personnel. If you have any questions, please feel free to contact me at (608) 266-3768. Please respond within 30 days of this letter. If we have no questions regarding your response, you can consider the review closed.

Please note that if your response to this letter contains any data that you want to be subject to confidential treatment, you must submit a confidentiality request form with your response

Sincerely,

Elaine L. Engelke
Financial Specialist
Division of Water, Compliance, and Consumer Affairs

ELE:tlk:w:\compl\telco letters\4870 rev letter

Accountants Compilation Report

To the Board of Directors
Price County Telephone Company
Phillips, Wisconsin 54555

We have compiled the balance sheets of Price County Telephone Company as of December 31, 1998 and 1997, and the related statements of income and retained earnings for the years then ended, and the st

Schedule Footnotes

Central Office Lookup Table Footnote. Page 0

Cover Page Footnote. Page 1

GENERAL, SCHEDULE LEVEL AND SCHEDULE LINE FOOTNOTES

Affiliated Interest Transactions Footnote. Page 15

Pursuant to agreement with PSCW staff, revenue, expense, and other detail amounts are not required for the 1998 annual report. The total amount for each column is included on the All Other line in order to facilitate the summation function in the program.

docket number revised to 4870-AT-100 per utility response dated 11/9/99
ele

Expense Matrix - Class A & B Footnote. Page 41

Pursuant to agreement with PSCW staff, expense matrix subsidiary record detail is not required for the 1998 annual report. The total amount for each item is included in the Other column in order to facilitate the summation function in the program.

Telephone Calls and Minutes of Use Per Month Footnote. Page 47

Pursuant to agreement with PSCW staff, toll telephone calls and minutes of use per month detail is not required for the 1998 annual report. The total toll amount for each item is included on the Other Toll - Undefined line in order to facilitate the summation function in the program.

Central Office Data - End of Year Footnote. Page 55

Rice Lake added to connors central office, soo lake exchange per utility response dated 11/9/99 ele

Schedule Line Footnotes

- A) Depreciation rates vary between sub-accounts. Rate given is a composite.
- B) Pursuant to agreement with PSCW staff, net deferred operating income tax property and nonproperty related detail and activity is not required for the 1998 annual report. The total amounts for accounts 1437, 4100, 4340, 4341, and 4361 are included in the Balance EOY column in order that the Balance Sheet schedules may be populated with the appropriate end-of-year balances for these accounts in the program.
- C) Pursuant to agreement with PSCW staff, not material.
- D) Pursuant to agreement with PSCW staff, the Regulated Expenses salaries and wage amount is included on line 5, All Other Accounts.
- E) Variances due to change in cost based revenue requirements.
- F) Due to prior year write-off of old access liabilities.
- G) Due to new USF charges.